

Remarks of Congressman Henry A. Waxman  
At Luncheon for Venice, Westside, and Saban Clinics  
Monday, August 25, 2014

Thank you. I appreciate this recognition and the kind words. It's especially nice to be able to be able to celebrate with people from Venice, Westside, and Saban because we've worked together for so, so long. Forty years has been a long time, and a lot has changed—almost all of it for the better.

But all the time I was in Washington, I knew that you, your staff, and your volunteers were my partners. You were working on the same issues for the right reasons: health care for everyone, regardless of who they are and regardless of how much they can pay.

I knew that if I could get something started at the federal level, you would make sure that it reached the people in LA who needed it. We made a good team.

- I worked to protect reproductive health choices for women—and you provided the services women want, need, and deserve.
- I worked to expand Medicaid to cover more children and pregnant women—and you gave pediatric and prenatal care.
- I worked to fund and expand community health centers, both through grants and through Medicaid—and you became Federally Qualified Health Centers and finally got paid for the services you were already giving poor people for free.
- Now, at long last, we have all worked to enact and implement the Affordable Care Act to guarantee insurance for almost everyone. And you can expect greatly expanded insurance coverage for most of your patients. That coverage that will make it possible to plan and deliver care to people without having to wonder whether and when the donations will come to do so.

It hasn't always been easy. Many of you will remember the battles we faced during the Reagan Administration:

- They tried to block-grant Medicaid.
- They tried to end a woman's right to choose.
- They tried to ignore the AIDS epidemic.
- They even tried to cut childhood immunization programs.

But we won all those fights. And I'm happy to say that you can both deliver those services and actually get reimbursed for them—so that you can get more care to more people.

Since Federal law requires that health centers be covered by Medicaid, you know that you will get paid. And since federal law requires that Medicaid pay at a rate that reflects your costs, you can count on Medicaid as to be a better source of payment.

This is not to say that the work is all done. Obviously, the Medicaid expansion and the ACA are still works in progress. There are growing pains and there are big fights to come.

I see two big issues on the horizon for clinics. The first is the future of the health centers' prospective payment system and the second is the future of health center direct grant funding.

Let's be clear: It's necessary for Medicaid to pay health centers an amount that reflects their actual costs. Over the years, there have been different ways to calculate that, but it has had to equal the same thing: Medicaid pays its fair share. Anything else would be a losing proposition for clinics, one that would eventually mean that the promise of health access for all would be hollow.

It's obvious that California and other states would like to cut back on PPS. They don't usually pay providers what services cost—and they don't want to do so with health centers either. But for decades, Democratic and Republican politicians alike have recognized that FQHCs are a great deal for communities and have supported these payments.

I predict that these alliances will continue and that these or similar protections will remain in place. But I also predict that this will be a long, long debate.

Perhaps clinics can find ways to promote primary care through alternative payment mechanisms. Perhaps you and California can work out demonstration projects and pilots that will improve services and test ways to make payments easier. But the whole health care system depends on clinics working well. We will all have to watch carefully to make sure that the rug isn't pulled out from under them.

There will be payment and delivery innovations. PPS itself was once an innovation. But these methods have to be evaluated and negotiated carefully between FQHCs and the Medicaid program. And until they are, I will continue to oppose the change or waiver of the PPS system by the government alone—and I think my congressional colleagues will, too.

Right behind the PPS issue is the federal funding cliff that community health centers are going to face at the end of 2015. The stimulus bill of 2008 and the ACA have provided a lot of support for centers, not just through insurance but also through grants for expanded and new centers. It was necessary in order to meet the predicted (and real) demand for primary care—first from the newly uninsured and then from all the people who were finally insured through the ACA.

But that money has an end date. And some budget hawks are already swarming around, suggesting that these funds are no longer needed since insurance under the ACA is so widespread.

It's too soon to reach that conclusion. It will be too soon in 2015. It will be too soon for years to come.

- There are Medicaid enrollment backlogs.
- There is confusion about ACA enrollment and coverage.
- There is no progress on immigration reform.

As long as those problems stand between people and insurance, then the federal government must continue its direct funding of community health centers. Maybe someday we will really have universal coverage. Maybe someday undocumented people will have access to primary care. Maybe someday the health systems will work for low-income people as well as they work for people in private insurance and Medicare. But until then, centers will be our best safety nets under the safety net.

So we've made a lot of progress over the last 40 years. Contraception and pregnancy services are widely available. HIV is a treatable condition. Medicaid is an entitlement for millions of new people. Medicaid covers primary care services, it pays a reasonable rate, and it may soon cover all poor Americans.

I've enjoyed and valued being a part of a team with you to make that happen in law and in real life.

There's still work to do. I know I can rely on you to keep up these efforts. With leaders like Liz Forer at Venice, Deb Farmer at Westside, and Jeffrey Bujer at Saban—you're in very good hands.

I'm retiring from the Congress now, but I'm not retiring from these issues. You can still rely on me, and I look forward to continuing our teamwork.

Thank you.